

**AETNA LIFE INSURANCE COMPANY**  
**YEARS ENDED DECEMBER 31, 2007 TO DECEMBER 31, 2009**

The nature and amount of transactions between the insurer and its affiliates for years 2007-2009 are set forth below.

**I. Financial and Solvency Requirements Documentation for Part D standalone Medicare prescription drug (PDP) Contracts:**

- H. 1-4. The numbered items below are transactions between Aetna Life Insurance Company (the "Company", also the Part D sponsor with a PDP contract with the Centers for Medicare and Medicaid Services (CMS)) and parties in interest (i.e., entities sharing a common parent with the Company) during the iscal year. These transactions are reported by the Company on its statutory financial statement filed with its domiciliary insurance regulator and include transactions that do not fall under the definition of "significant business transaction" in accordance with 42 C.F.R. Section 423.501 of the Medicare Advantage regulation. The Company chooses to disclose all transactions with parties in interest in order to be consistent with its statutory filings with its domiciliary regulator. The costs incurred relating to the transactions between the Company and the parties in interest are all recorded at cost or at fair market value. The Company believes these costs do not exceed the costs that would be incurred if these transactions were with someone who is not a party in interest.

Year ended December 31, 2007:

1. Effective October 16, 1978, the Company entered into a service agreement with Aetna Life & Casualty (Bermuda) Ltd., which provides that the Company will perform services and administrative duties under Aetna Life & Casualty (Bermuda) Ltd., Group Insurance and Pension Contracts. The agreement and an Amendment to Service Agreement dated as of June 20, 2002, with an effective date as of August 1, 1978, were approved by letter dated May 10, 2002 from the Connecticut Insurance Department. Under this agreement, the expenses incurred were \$9,686,432 and \$4,495,062 for the years 2007 and 2006, respectively.
2. Effective October 7, 2005, the Company entered into an Amended and Restated Administrative Services Agreement (the "A&R Agreement") with AHM, which replaces the Administrative Services Agreement (the "ASA") entered into between the Company and AHM dated as of January 1, 2004. The ASA replaced the Utilization and Network Management Services Agreement and any other agreements to which the Company and AHM were the only parties. The A&R Agreement was approved by the Connecticut Insurance Department on October 7, 2005. Under the A&R Agreement, as under the ASA, AHM will provide the Company with administrative services and resources (including pharmacy rebate management services) and the Company will in return also provide AHM with administrative services and resources (including patient management and quality management services). For the years 2007 and 2006, net cost reimbursements from the Company to AHM under the A&R Agreement were \$118,003,780 and \$113,176,748, respectively. For the pharmacy rebate services, the Company is obligated to pay AHM a fee equivalent to a percentage of the rebates that the Company earns. The Company was charged \$34,567,182 and \$28,797,106 for these pharmacy rebate services for 2007 and 2006, respectively, under the A&R Agreement.
3. Aetna Health of California Inc. provides administrative and other services to the Company, and payments for these services were \$20,726,197 and \$17,266,246 for the years 2007 and 2006, respectively.
4. Shareholder Agreement and Consent between the Company and Aetna dated November 1, 2000. The agreement provides that the Company and Aetna agree on a procedure and method for declaration, determination of amount and payment of distributions, including dividends by the Company to Aetna. The agreement was approved by letter dated September 18, 2001 from the Connecticut Insurance Department.
5. Effective December 1, 2001, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, Aetna Health Inc. (CT) ("AHICT"), and AHICT subleases to its affiliate, AHM, certain electronic data processing equipment located in Connecticut that is leased from IBM Credit LLC. This agreement was approved November 27, 2001 by the Connecticut Insurance Department. In 2007, the terms of the agreement were extended through November 30, 2008 and notification of such extension was provided to the Connecticut Insurance Department. In addition, effective December 1, 2004, the Company entered into a subleasing arrangement whereby the Company subleases to AHICT, and AHICT subleases to AHM, certain electronic data processing equipment located in Connecticut that is leased from Hewlett Packard Financial Services Company. This agreement was approved February 7, 2005 by the Connecticut Insurance Department. In 2007, the terms of the agreement were extended through November 30, 2008 and notification of such extension was provided to the Connecticut Insurance Department. Payments for these subleases in 2007 and 2006 were \$44,885,759 and \$32,531,426, respectively, from AHM to AHICT and these same amounts were paid from AHICT to the Company.
6. On May 1, 2003, the Company entered into a Foreign Currency Hedging Agreement with Aetna, pursuant to which Aetna will be authorized to enter into foreign exchange arrangements or agreements on behalf of the Company. This agreement was approved by the Connecticut Insurance Department on August 11, 2003. Under this agreement, the Company received payments of \$398,700 and \$1,091,741 from Aetna for the years 2007 and 2006, respectively, in gains resulting from Aetna executing foreign currency arrangements on the Company's behalf.
7. Effective February 1, 2003, the Company and Aetna RX Home Delivery, LLC ("Pharmacy") entered into a mail order pharmacy national agreement in which Pharmacy contracted with the Company to provide pharmaceutical services on behalf of the Company and its affiliates. This agreement was approved by the Connecticut Insurance Department on March 14, 2003. Under this agreement, the Company pays Pharmacy for covered services rendered to members in accordance with a compensation schedule. Under this agreement, the Company paid Pharmacy \$212,799,785 and \$183,941,729 for the years 2007 and 2006, respectively, with respect to the Company's fully-insured members.
8. Effective January 1, 2004, the Company entered into an Amended and Restated Agency, Management and Delegated Claims Agreement (the "Amended Agreement") with the Chickering Benefit Planning Insurance Agency, Inc., a Massachusetts corporation ("CBPAI") and Chickering Claims Administrators, Inc., a Massachusetts corporation ("CCAI"), both affiliates of the Company. The Amended Agreement replaces a similar agreement which was entered into prior to CBPAI and CCAI becoming wholly-owned subsidiaries of Aetna. Under the Amended Agreement, CBPAI and CCAI will provide the Company with certain administrative services related to student health business underwritten and issued and/or administered by the Company or by companies owned by or affiliated with the Company, including accounting and processing of premiums and claims administration. The Company pays each of CBPAI and CCAI an Annual Delegation Fee for such services pursuant to the Amended Agreement. The Amended Agreement was approved by the Connecticut Insurance Department on November 12, 2004. For 2007 and 2006, the Company was charged \$19,211,840 and \$17,815,874 respectively, for services provided by CBPAI and \$22,344,202 and \$20,720,633, respectively, for services provided by CCAI under the Amended Agreement.
9. Effective January 1, 2004, the Company and Aetna Insurance Company of Connecticut ("AICC") entered into an Expense Allocation Agreement (the "Expense Agreement") to allocate costs relating to their stop loss insurance business between them in proportion to the premiums each entity derives from that business. This Expense Agreement was approved by the Connecticut Insurance Department on November 9, 2004. Under this Expense Agreement in 2007 and 2006, \$78,612 and \$21,945, respectively, of stop loss insurance costs were allocated to AICC from the Company.
10. Effective July 1, 2004, the Company and Aetna Behavioral Health, LLC ("ABH") entered into an Administrative Services Agreement whereby ABH will provide the Company with certain administrative services including accounting and processing of premiums and claims for the employee assistance program product sold by the Company in the State of California. The Agreement obligates the Company to pay ABH a fee for such services as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on January 14, 2005. For 2007, the Company was not charged any fees from ABH under this agreement as no services were rendered. For 2006, the Company incurred \$19,085 in expenses pursuant to this agreement.
11. Effective December 1, 2004, the Company entered into an agreement with Aetna Capital Management, LLC ("ACM") whereby the Company will pay ACM a fee in connection with investment advisory services that ACM will provide in connection with investments by the Company in Aetna Partners Diversified Fund, LLC. The intercompany agreement was approved by the Connecticut Insurance Department by letter dated November 23, 2004. The Company incurred \$1,831,998 and \$1,874,041 for the years 2007 and 2006, respectively, pursuant to this

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agreement.

12. Effective January 1, 2005, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "Personnel Services Agreement") with Aetna Health Insurance Company of New York ("AHIC-NY"). Under this Personnel Services Agreement, the Company will provide AHIC-NY with the personnel necessary to perform administrative services, including accounting, payment of claims, quality assessment and pharmacy benefit management services, related to AHIC-NY's commercial, Medicaid, Medicare and self-insured members. The Personnel Services Agreement obligates AHIC-NY to pay to the Company the Company's cost of providing such services as well as interest on outstanding administrative service balances. This Personnel Services Agreement was approved by the Connecticut Insurance Department on May 26, 2005 and the New York Insurance Department on April 5, 2005. For 2007 and 2006, the Company charged AHIC-NY \$1,089,201 and \$1,219,257, respectively, under the Personnel Services Agreement.
13. Effective January 1, 2005, the Company entered into an Amended and Restated Administrative Services Agreement (the "Amended Agreement") with Aetna Dental Inc., a New Jersey corporation ("ADI-NJ"). Under this Amended Agreement, the Company provides ADI-NJ with certain administrative services including accounting, cash management and processing of claims. The Amended Agreement obligates ADI-NJ to pay the Company a fee for such services as well as interest on outstanding administrative service balances. This Amended Agreement was approved by the Connecticut Insurance Department on May 26, 2005. For 2007 and 2006, the Company's revenue for providing these services to ADI-NJ was \$2,290,459 and \$2,586,285, respectively. The 2007 amount includes a \$13,247 payment paid to the Company by ADI-NJ in 2007 related to the true up of the prior calendar year administrative service fee. The 2007 amount also includes an accrual of \$11,630 of offsetting expense related to the true up of the current calendar year administrative service fee. The 2006 amount includes a \$413,798 payment paid to the Company by ADI-NJ in 2006 related to the true up of the prior calendar year administrative service fee. Interest earned on amounts due from ADI-NJ related to the Amended Agreement was \$26,223 and \$39,685 in 2007 and 2006, respectively.
14. Effective January 6, 2005, the Company and Strategic Resource Company ("SRC") entered into two Administrative Services Agreements (the "SRC Agreements"), of which one was amended and restated effective January 1, 2006 to change language relative to SRC acting as a third party administrator in certain states. Under the SRC Agreements, SRC will provide the Company with certain administrative services and resources relating to the administration of certain insurance policies issued by Continental Assurance Company ("CAC") and Continental Casualty Company ("CCC") and coinsured 100% by the Company and for certain insurance policies issued directly by the Company. The SRC Agreements obligate the Company to pay SRC a fee for such services. Both of the original SRC Agreements were approved by the Connecticut Insurance Department on February 7, 2005. The amended and restated agreement effective January 1, 2006 was approved by the Connecticut Insurance Department on May 30, 2006. For 2007 and 2006, the Company incurred \$81,545,146 and \$51,855,238, respectively, in expenses pursuant to the SRC Agreements.
15. Effective January 1, 2005, the Company entered into an Administrative Services Agreement (the "Dental Agreement") with Aetna Dental Inc., a Texas corporation ("ADI-TX"). Under this Dental Agreement, the Company provides ADI-TX with certain administrative services including accounting, cash management and processing of claims for service areas other than North Carolina. The Dental Agreement obligates ADI-TX to pay the Company a fee for such services as well as interest on outstanding administrative service balances. This Dental Agreement was approved by the Connecticut Insurance Department on July 15, 2005. For 2007 and 2006, the Company's revenue for providing these services to ADI-TX was \$9,052,330 and \$8,133,261, respectively. The 2007 amount includes a \$348,920 payment paid to the Company by ADI-TX in 2007 related to the true up of the prior calendar year administrative service fee. The 2007 amount also includes an accrual of \$269,873 of offsetting expense related to the true up of the current calendar year administrative service fee. The 2006 amount includes a \$129,579 payment paid by the Company to ADI-TX in 2006 related to the true up of the prior calendar year administrative service fee. Interest earned on amounts due from ADI-TX related to the Dental Agreement was \$43,397 and \$47,206 in 2007 and 2006, respectively.
16. Effective January 1, 2005, the Company and Aetna entered into an Expense Allocation Agreement (the "Expense Agreement") under which Aetna will allocate expenses to the Company for employee benefit plans in proportion to the members covered by the Company under health benefit plans. This Expense Agreement was approved by the Connecticut Insurance Department on November 3, 2005. For 2007, the Company incurred \$41,923,377 in income pursuant to the Expense Agreement. For 2006, the Company incurred \$75,802,455 in expenses pursuant to the Expense Agreement. See Note 12 for details by plan.
17. Effective January 1, 2005, the Company entered into an Administrative Services Agreement (the "Agreement") with Aetna Health of the Carolinas Inc., a North Carolina company ("AHCI"), which replaces the Amended and Restated Administrative Services Agreement entered into between the Company and AHCI dated as of January 1, 2003. Under the Agreement, the Company will provide AHCI with administrative services, including accounting, payment of claims, quality assessment services and payment of agents' fees and commissions, related to AHCI's commercial, Medicare and self-insured members. The Agreement obligates AHCI to pay to the Company a fee for providing such services as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on July 27, 2005. For 2007 and 2006, the Company's revenue for providing the administrative services on behalf of AHCI under the Agreement was \$6,347,097 and \$5,173,175, respectively. The 2007 amount includes a \$1,237,674 payment paid to the Company by AHCI in 2007 related to the true up of the prior calendar year administrative service fee. The 2007 amount also includes an accrual of \$457,231 of offsetting expense related to the true up of the current calendar year administrative service fee. Interest earned on amounts due from AHCI related to the Agreement was \$30,548 and \$21,332 in 2007 and 2006, respectively.
18. Effective January 1, 2005, the Company, AHM and AHCI entered into a subcontract under which certain of the services and resources to be provided by the Company to AHCI under the Agreement will be subcontracted and provided by AHM. Under the subcontract, AHM's services and resources provided to the Company include certain accounting functions, payment of agents' fees and commissions and certain out of pocket corporate maintenance expenses. The subcontract obligates the Company to pay AHM for the services actually performed at AHM's cost of providing such services as well as interest on outstanding administrative service balances. This subcontract was approved by the Connecticut Insurance Department on July 27, 2005. For 2007 and 2006, the Company paid AHM \$7,016 for both years.
19. Effective January 1, 2006, the Company entered into an agreement with ACM whereby the Company will pay ACM a fee in connection with investment advisory services that ACM will provide in connection with investments by the Company in Aetna Partners Diversified Fund (Cayman), Limited. A Form D Prior Notice of Transaction dated September 14, 2005 was filed with the Connecticut Insurance Department for this agreement. By letter dated October 11, 2005 the Connecticut Insurance Department determined the transaction to be in the ordinary course of business, therefore no approval is necessary. For 2007 and 2006, the Company incurred \$366,115 and \$351,054, respectively, in expenses pursuant to this agreement.
20. Effective January 1, 2006, the Company entered into an Administrative Services Agreement (the "North Carolina Dental Agreement") with ADI-TX. Under the North Carolina Dental Agreement, the Company provides ADI-TX with certain administrative services including accounting, cash management and processing of claims for the North Carolina service area. The North Carolina Dental Agreement obligates ADI-TX to pay the Company a fee for such services as well as interest on outstanding administrative service balances. This North Carolina Dental Agreement was approved by the Connecticut Insurance Department on November 17, 2005. For 2007 and 2006, the Company's revenue for providing these services to ADI-TX was \$728,000 and \$854,379, respectively. The 2007 amount includes a \$34,084 payment paid to the Company by ADI-TX in 2007 related to the true up of the prior calendar year administrative service fee. The 2007 amount also includes an accrual of \$21,517 of offsetting expense related to the true up of the current calendar year administrative service fee. Interest earned on amounts due from ADI-TX related to the North Carolina Dental Agreement was \$3,482 and \$3,806 in 2007 and 2006, respectively.
21. Effective January 1, 2006, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "New York Personnel Services Agreement") with Aetna Health Inc., a New York corporation ("AHI-NY"). Under this New York Personnel Services Agreement, the Company will provide AHI-NY with the personnel necessary to perform administrative services, including accounting, payment of claims, quality assessment and pharmacy benefit management services, related to AHI-NY's commercial, Medicaid, Medicare and self-insured members. The New York Personnel Services Agreement obligates AHI-NY to pay to the Company the Company's cost of providing such services as well as interest on outstanding administrative service balances. This New York Personnel Services Agreement was approved by the Connecticut Insurance Department on July 28, 2006 and the New York Insurance Department on June 28, 2006. For 2007 and 2006, the Company charged AHI-NY \$45,917,084 and \$54,370,957, respectively, under the New York Personnel Services

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Agreement.

22. Effective November 18, 2005, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, CCAI, certain field office space located in Bedford, New Hampshire. In addition, effective August 1, 2006, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, CCAI, certain field office space located in San Diego, California. The Company notified the Connecticut Insurance Department prior to entering into these subleasing arrangements. For 2007 and 2006, CCAI paid the Company \$305,798 and \$239,112, respectively, for these subleases.
23. Effective January 1, 2006, the Company and Aetna Behavioral Health of Delaware, LLC ("ABHD") entered into an Administrative Services Agreement (the "Delaware Agreement") under which the Company will provide ABHD with administrative services and resources (including cash management services). Under the Delaware Agreement, the Company may assess ABHD fees for such services as well as interest on outstanding administrative service balances. For 2007 and 2006, ABHD was not assessed any fees from the Company under the Delaware Agreement as no services were rendered. Under the Delaware Agreement, ABHD will provide the Company with administrative services and resources (including quality assessment, utilization review, disease management, patient management and case management services). Under the Delaware Agreement, the Company pays ABHD fees for these administrative services and resources as well as interest on outstanding administrative service balances. For 2007 and 2006, the Company was not charged any fees from ABHD under the Delaware Agreement as no services were rendered. The Delaware Agreement was approved by the Connecticut Insurance Department on October 17, 2006.
24. Effective January 1, 2006, the Company and ABH entered into an Administrative Services Agreement (the "Behavioral Health Agreement") whereby the Company will provide ABH with certain administrative services including accounting, cash management and processing of claims for the employee assistance services style products sold by ABH. Under the Behavioral Health Agreement, the Company may assess ABH the Company's cost of providing such services as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on December 28, 2006. For 2007 and 2006, the Company assessed ABH \$6,473,172 and \$4,880,798, respectively, under the Behavioral Health Agreement.
25. Effective April 1, 2006, the Company entered into four Administrative Services Agreements with SRC (the "SRC Service Agreements") whereby SRC will provide administrative services on the Company's behalf related to service contracts assigned to the Company related to Broadspire Disability, which was acquired on March 31, 2006 (see Note 3). The SRC Service Agreements obligate the Company to pay SRC for the services actually performed at SRC's cost of providing such services. The SRC Service Agreements were approved by the Connecticut Insurance Department on December 28, 2006. For 2007 and 2006, the Company incurred \$2,999,521 and \$5,098,120, respectively, in expenses under the SRC Service Agreements.

Effective April 1, 2006, AHA and SRC entered into a Personnel Services and Expense Reimbursement Agreement (the "SRC Expense Reimbursement Agreement") whereby AHA provides personnel services to SRC to assist SRC in the provision of the administrative services provided to the Company under the SRC Service Agreements. The SRC Expense Reimbursement Agreement obligates SRC to pay AHA for the services actually provided at AHA's cost of providing such services. Effective July 1, 2007, as a result of the personnel merger of AHA with and into the Company (see Note 3), the Company assumed AHA's responsibilities under the SRC Expense Reimbursement Agreement and became the provider of personnel services to SRC to assist SRC in the provision of the administrative services provided under the SRC Service Agreements. The merger of AHA with and into the Company was approved by the Connecticut Insurance Department on June 18, 2007. For 2007, the Company charged SRC \$1,499,761 under the SRC Expense Reimbursement Agreement.

26. Effective January 1, 2007, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "Specialty Pharmacy Personnel Services Agreement") with Aetna Specialty Pharmacy, LLC ("ASRX"). Under this Specialty Pharmacy Personnel Services Agreement, ASRX will make available to the Company the services of certain personnel. The Specialty Pharmacy Personnel Services Agreement obligates the Company to pay to ASRX fees equal to ASRX's cost of providing such services as well as interest on outstanding fee balances. The Specialty Pharmacy Personnel Services Agreement was entered into in the ordinary course of business and did not require approval by the Connecticut Insurance Department. For 2007, the Company paid ASRX \$34,340,454 under the Specialty Pharmacy Personnel Services Agreement.
27. Effective December 1, 2007, the Company entered into an Administrative Services and Solicitation Agreement (the "California Dental Agreement") with Aetna Dental of California Inc. ("ADI-CA"). Under the California Dental Agreement, the Company provides ADI-CA with certain administrative and management services (collectively, the "Administrative Services") including accounting, cash management and ministerial services related to the administration of claims payment. In addition, the Company also provides solicitation services including marketing, account management of all third party brokers and providers and certain contract maintenance and management services. The California Dental Agreement obligates ADI-CA to pay the Company a fee for the Administrative Services as well as interest on outstanding administrative service balances. The California Dental Agreement was approved by the Connecticut Insurance Department on November 19, 2007. For 2007, the Company's revenue for providing these services to ADI-CA was \$639,823. For 2007, there was no interest earned on amounts due from ADI-CA related to the California Dental Agreement.

Year ended December 31, 2008:

1. Effective October 16, 1978, the Company entered into a service agreement with Aetna Life & Casualty (Bermuda) Ltd., which provides that the Company will perform services and administrative duties under Aetna Life & Casualty (Bermuda) Ltd., Group Insurance and Pension Contracts. The agreement and an Amendment to Service Agreement dated as of June 20, 2002, with an effective date as of August 1, 1978, were approved by letter dated May 10, 2002 from the Connecticut Insurance Department. A Third Amendment to Service Agreement, with an effective date of June 1, 2008, was approved by the Connecticut Insurance Department on June 17, 2008. Under this agreement, the expenses incurred were \$10,490,694 and \$3,689,396 for the years 2008 and 2007, respectively.
2. Effective October 7, 2005, the Company entered into an Amended and Restated Administrative Services Agreement (the "A&R Agreement") with AHM, which replaces the Administrative Services Agreement (the "ASA") entered into between the Company and AHM dated as of January 1, 2004. The ASA replaced the Utilization and Network Management Services Agreement and any other agreements to which the Company and AHM were the only parties. The A&R Agreement was approved by the Connecticut Insurance Department on October 7, 2005. Effective August 1, 2008, the A&R Agreement was amended and the amendment was approved by the Connecticut Insurance Department on August 13, 2008. Under the A&R Agreement, as under the ASA, AHM will provide the Company with administrative services and resources (including pharmacy rebate management services) and the Company will in return also provide AHM with administrative services and resources (including patient management and quality management services). For the years 2008 and 2007, net cost reimbursements from the Company to AHM under the A&R Agreement were \$126,628,422 and \$118,003,780, respectively. For the pharmacy rebate services, the Company is obligated to pay AHM a fee equivalent to a percentage of the rebates that the Company earns. The Company was charged \$41,303,722 and \$34,567,182 for these pharmacy rebate services for 2008 and 2007, respectively, under the A&R Agreement.
3. Aetna Health of California Inc. provides administrative and other services to the Company, and payments for these services were \$23,256,573 and \$20,726,197 for the years 2008 and 2007, respectively.
4. Shareholder Agreement and Consent between the Company and Aetna dated November 1, 2000. The agreement provides that the Company and Aetna agree on a procedure and method for declaration, determination of amount and payment of distributions, including dividends by the Company to Aetna. The agreement was approved by letter dated September 18, 2001 from the Connecticut Insurance Department.
5. Effective December 1, 2001, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, Aetna Health Inc. (CT) ("AHICT"), and AHICT subleases to its affiliate, AHM, certain electronic data processing equipment located in Connecticut that is leased from IBM Credit LLC. This agreement was approved November 27, 2001 by the Connecticut Insurance Department. In 2008, the terms of the agreement were extended through November 30, 2009 and notification of such extension was provided to the Connecticut Insurance Department. In addition, effective December 1, 2004, the Company entered into a subleasing arrangement whereby the Company subleases to AHICT, and AHICT subleases to AHM, certain electronic data processing equipment located in Connecticut that is leased from

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Hewlett Packard Financial Services Company. This agreement was approved February 7, 2005 by the Connecticut Insurance Department. In 2008, the terms of the agreement were extended through November 30, 2009 and notification of such extension was provided to the Connecticut Insurance Department. Payments for these subleases in 2008 and 2007 were \$43,334,861 and \$44,885,759, respectively, from AHM to AHICT and these same amounts were paid from AHICT to the Company.

6. On May 1, 2003, the Company entered into a Foreign Currency Hedging Agreement with Aetna, pursuant to which Aetna will be authorized to enter into foreign exchange arrangements or agreements on behalf of the Company. This agreement was approved by the Connecticut Insurance Department on August 11, 2003. Effective January 1, 2008, an amendment to the agreement was made and notification was provided to the Connecticut Insurance Department. Under this agreement, the Company received payments of \$611,845 and \$398,700 from Aetna for the years 2008 and 2007, respectively, in gains resulting from Aetna executing foreign currency arrangements on the Company's behalf.
7. Effective February 1, 2003, the Company and Aetna RX Home Delivery, LLC ("Pharmacy") entered into a mail order pharmacy national agreement in which Pharmacy contracted with the Company to provide pharmaceutical services on behalf of the Company and its affiliates. This agreement was approved by the Connecticut Insurance Department on March 14, 2003. Under this agreement, the Company pays Pharmacy for covered services rendered to members in accordance with a compensation schedule. Under this agreement, the Company paid Pharmacy \$240,011,916 and \$212,799,785 for the years 2008 and 2007, respectively, with respect to the Company's fully-insured members.
8. Effective January 1, 2004, the Company entered into an Amended and Restated Agency, Management and Delegated Claims Agreement (the "Amended Agreement") with the Chickering Benefit Planning Insurance Agency, Inc., a Massachusetts corporation ("CBPAI") and Chickering Claims Administrators, Inc., a Massachusetts corporation ("CCAI"), both affiliates of the Company. The Amended Agreement replaces a similar agreement which was entered into prior to CBPAI and CCAI becoming wholly-owned subsidiaries of Aetna. Under the Amended Agreement, CBPAI and CCAI will provide the Company with certain administrative services related to student health business underwritten and issued and/or administered by the Company or by companies owned by or affiliated with the Company, including accounting and processing of premiums and claims administration. The Company pays each of CBPAI and CCAI an Annual Delegation Fee for such services pursuant to the Amended Agreement. The Amended Agreement was approved by the Connecticut Insurance Department on November 12, 2004. For 2008 and 2007, the Company was charged \$21,566,796 and \$19,211,840 respectively, for services provided by CBPAI and \$25,083,121 and \$22,344,202, respectively, for services provided by CCAI under the Amended Agreement.
9. Effective January 1, 2004, the Company and Aetna Insurance Company of Connecticut ("AICC") entered into an Expense Allocation Agreement (the "Expense Agreement") to allocate costs relating to their stop loss insurance business between them in proportion to the premiums each entity derives from that business. This Expense Agreement was approved by the Connecticut Insurance Department on November 9, 2004. Under this Expense Agreement in 2008 and 2007, \$6,626 and \$78,612, respectively, of stop loss insurance costs were allocated to AICC from the Company.
10. Effective December 1, 2004, the Company entered into an agreement with Aetna Capital Management, LLC ("ACM") whereby the Company will pay ACM a fee in connection with investment advisory services that ACM will provide in connection with investments by the Company in Aetna Partners Diversified Fund, LLC. The intercompany agreement was approved by the Connecticut Insurance Department by letter dated November 23, 2004. The Company incurred \$1,716,997 and \$1,831,998 for the years 2008 and 2007, respectively, pursuant to this agreement.
11. Effective January 1, 2005, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "Personnel Services Agreement") with Aetna Health Insurance Company of New York ("AHIC-NY"). Under this Personnel Services Agreement, the Company will provide AHIC-NY with the personnel necessary to perform administrative services, including accounting, payment of claims, quality assessment and pharmacy benefit management services, related to AHIC-NY's commercial, Medicaid, Medicare and self-insured members. The Personnel Services Agreement obligates AHIC-NY to pay to the Company the Company's cost of providing such services as well as interest on outstanding administrative service balances. This Personnel Services Agreement was approved by the Connecticut Insurance Department on May 26, 2005 and the New York Insurance Department on April 5, 2005. For 2008 and 2007, the Company charged AHIC-NY \$605,118 and \$1,089,201, respectively, under the Personnel Services Agreement.
12. Effective January 1, 2005, the Company entered into an Amended and Restated Administrative Services Agreement (the "Amended Agreement") with Aetna Dental Inc., a New Jersey corporation ("ADI-NJ"). Under this Amended Agreement, the Company provides ADI-NJ with certain administrative services including accounting, cash management and processing of claims. The Amended Agreement obligates ADI-NJ to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the amended agreement, as well as interest on outstanding administrative service balances. This Amended Agreement was approved by the Connecticut Insurance Department on May 26, 2005. For 2008 and 2007, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-NJ was \$1,931,951 and \$2,290,459, respectively. Interest earned on amounts due from ADI-NJ related to the Amended Agreement was \$11,835 and \$26,233 in 2008 and 2007, respectively.
13. Effective January 6, 2005, the Company and Strategic Resource Company ("SRC") entered into two Administrative Services Agreements (the "SRC Agreements"), of which one was amended and restated effective January 1, 2006 to change language relative to SRC acting as a third party administrator in certain states. Under the SRC Agreements, SRC will provide the Company with certain administrative services and resources relating to the administration of certain insurance policies issued by Continental Assurance Company ("CAC") and Continental Casualty Company ("CCC") and coinsured 100% by the Company and for certain insurance policies issued directly by the Company. The SRC Agreements obligate the Company to pay SRC a fee for such services. Both of the original SRC Agreements were approved by the Connecticut Insurance Department on February 7, 2005. The amended and restated agreement effective January 1, 2006 was approved by the Connecticut Insurance Department on May 30, 2006. For 2008 and 2007, the Company incurred \$72,968,575 and \$81,545,146, respectively, in expenses pursuant to the SRC Agreements.
14. Effective January 1, 2005, the Company entered into an Administrative Services Agreement (the "Dental Agreement") with Aetna Dental Inc., a Texas corporation ("ADI-TX"). Under this Dental Agreement, the Company provides ADI-TX with certain administrative services including accounting, cash management and processing of claims for service areas other than North Carolina. The Dental Agreement obligates ADI-TX to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This Dental Agreement was approved by the Connecticut Insurance Department on July 15, 2005. For 2008 and 2007, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-TX was \$7,618,368 and \$9,052,330, respectively. Interest earned on amounts due from ADI-TX related to the Dental Agreement was \$21,808 and \$43,397 in 2008 and 2007, respectively.
15. Effective January 1, 2005, the Company and Aetna entered into an Expense Allocation Agreement (the "Expense Agreement") under which Aetna will allocate expenses to the Company for employee benefit plans in proportion to the members covered by the Company under health benefit plans. This Expense Agreement was approved by the Connecticut Insurance Department on November 3, 2005. For 2008 and 2007, the Company incurred \$76,913,362 and \$41,923,377, respectively, in income pursuant to the Expense Agreement. See Note 12 for details by plan.
16. Effective January 1, 2005, the Company entered into an Administrative Services Agreement (the "Agreement") with Aetna Health of the Carolinas Inc., a North Carolina company ("AHC"), which replaces the Amended and Restated Administrative Services Agreement entered into between the Company and AHC dated as of January 1, 2003. Under the Agreement, the Company will provide AHC with administrative services, including accounting, payment of claims, quality assessment services and payment of agents' fees and commissions, related to AHC's commercial, Medicare and self-insured members. The Agreement obligates AHC to pay to the Company a fee for providing such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on July 27, 2005. For 2008 and 2007, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing the administrative services on behalf of AHC under the Agreement was \$5,390,818 and \$6,347,097, respectively. Interest earned on amounts due from AHC related to the Agreement was \$11,591 and \$30,548 in 2008 and 2007, respectively.

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17. Effective January 1, 2005, the Company, AHM and AHCI entered into a subcontract under which certain of the services and resources to be provided by the Company to AHCI under the Agreement will be subcontracted and provided by AHM. Under the subcontract, AHM's services and resources provided to the Company include certain accounting functions, payment of agents' fees and commissions and certain out of pocket corporate maintenance expenses. The subcontract obligates the Company to pay AHM for the services actually performed at AHM's cost of providing such services as well as interest on outstanding administrative service balances. This subcontract was approved by the Connecticut Insurance Department on July 27, 2005. For 2008 and 2007, the Company paid AHM \$6,886 and \$7,016, respectively.
18. Effective January 1, 2006, the Company entered into an agreement with ACM whereby the Company will pay ACM a fee in connection with investment advisory services that ACM will provide in connection with investments by the Company in Aetna Partners Diversified Fund (Cayman), Limited. A Form D Prior Notice of Transaction dated September 14, 2005 was filed with the Connecticut Insurance Department for this agreement. By letter dated October 11, 2005 the Connecticut Insurance Department determined the transaction to be in the ordinary course of business, therefore no approval is necessary. For 2008 and 2007, the Company incurred \$344,955 and \$366,115, respectively, in expenses pursuant to this agreement.
19. Effective January 1, 2006, the Company entered into an Administrative Services Agreement (the "North Carolina Dental Agreement") with ADI-TX. Under the North Carolina Dental Agreement, the Company provides ADI-TX with certain administrative services including accounting, cash management and processing of claims for the North Carolina service area. The North Carolina Dental Agreement obligates ADI-TX to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This North Carolina Dental Agreement was approved by the Connecticut Insurance Department on November 17, 2005. For 2008 and 2007, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-TX was \$653,103 and \$728,000, respectively. Interest earned on amounts due from ADI-TX related to the North Carolina Dental Agreement was \$1,873 and \$3,482 in 2008 and 2007, respectively.
20. Effective January 1, 2006, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "New York Personnel Services Agreement") with Aetna Health Inc., a New York corporation ("AHI-NY"). Under this New York Personnel Services Agreement, the Company will provide AHI-NY with the personnel necessary to perform administrative services, including accounting, payment of claims, quality assessment and pharmacy benefit management services, related to AHI-NY's commercial, Medicaid, Medicare and self-insured members. The New York Personnel Services Agreement obligates AHI-NY to pay to the Company the Company's cost of providing such services as well as interest on outstanding administrative service balances. This New York Personnel Services Agreement was approved by the Connecticut Insurance Department on July 28, 2006 and the New York Insurance Department on June 28, 2006. For 2008 and 2007, the Company charged AHI-NY \$40,857,022 and \$45,917,084, respectively, under the New York Personnel Services Agreement.
21. Effective November 18, 2005, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, CCAI, certain field office space located in Bedford, New Hampshire. In addition, effective August 1, 2006, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, CCAI, certain field office space located in San Diego, California. The Company notified the Connecticut Insurance Department prior to entering into these subleasing arrangements. For 2008 and 2007, CCAI paid the Company \$305,798 for both years for these subleases.
22. Effective January 1, 2006, the Company and Aetna Behavioral Health ("ABH") entered into an Administrative Services Agreement (the "Behavioral Health Agreement") whereby the Company will provide ABH with certain administrative services including accounting, cash management and processing of claims for the employee assistance services style products sold by ABH. Under the Behavioral Health Agreement, the Company may assess ABH the Company's cost of providing such services as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on December 28, 2006. For 2008 and 2007, the Company assessed ABH \$5,174,443 and \$6,473,172, respectively, under the Behavioral Health Agreement.
23. Effective April 1, 2006, the Company entered into four Administrative Services Agreements with SRC (the "SRC Service Agreements") whereby SRC will provide administrative services on the Company's behalf related to service contracts assigned to the Company related to Broadspire Disability, which was acquired on March 31, 2006. The SRC Service Agreements obligate the Company to pay SRC for the services actually performed at SRC's cost of providing such services. The SRC Service Agreements were approved by the Connecticut Insurance Department on December 28, 2006. For 2008 and 2007, the Company incurred \$54,056 and \$2,999,521, respectively, in expenses under the SRC Service Agreements.

Effective April 1, 2006, AHA and SRC entered into a Personnel Services and Expense Reimbursement Agreement (the "SRC Expense Reimbursement Agreement") whereby AHA provides personnel services to SRC to assist SRC in the provision of the administrative services provided to the Company under the SRC Service Agreements. The SRC Expense Reimbursement Agreement obligates SRC to pay AHA for the services actually provided at AHA's cost of providing such services. Effective July 1, 2007, as a result of the personnel merger of AHA with and into the Company (see Note 3), the Company assumed AHA's responsibilities under the SRC Expense Reimbursement Agreement and became the provider of personnel services to SRC to assist SRC in the provision of the administrative services provided under the SRC Service Agreements. The merger of AHA with and into the Company was approved by the Connecticut Insurance Department on June 18, 2007. For 2008 and 2007, the Company charged SRC \$54,056 and \$1,499,761, respectively, under the SRC Expense Reimbursement Agreement.
24. Effective January 1, 2007, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "Specialty Pharmacy Personnel Services Agreement") with Aetna Specialty Pharmacy, LLC ("ASRX"). Under this Specialty Pharmacy Personnel Services Agreement, ASRX will make available to the Company the services of certain personnel. The Specialty Pharmacy Personnel Services Agreement obligates the Company to pay to ASRX fees equal to ASRX's cost of providing such services as well as interest on outstanding fee balances. The Specialty Pharmacy Personnel Services Agreement was entered into in the ordinary course of business and did not require approval by the Connecticut Insurance Department. For 2008 and 2007, the Company paid ASRX \$48,606,800 and \$34,340,454, respectively, under the Specialty Pharmacy Personnel Services Agreement.
25. Effective December 1, 2007, the Company entered into an Administrative Services and Solicitation Agreement (the "California Dental Agreement") with Aetna Dental of California Inc. ("ADI-CA"). Under the California Dental Agreement, the Company provides ADI-CA with certain administrative and management services (collectively, the "Administrative Services") including accounting, cash management and ministerial services related to the administration of claims payment. In addition, the Company also provides solicitation services including marketing, account management of all third party brokers and providers and certain contract maintenance and management services. The California Dental Agreement obligates ADI-CA to pay the Company a fee for the Administrative Services subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. The California Dental Agreement was approved by the Connecticut Insurance Department on November 19, 2007. For 2008 and 2007, the Company's revenue for providing these services to ADI-CA, including prior contract year and current year estimated accrued true-ups, was \$6,479,132 and \$639,823, respectively. Interest earned on amounts due from ADI-CA related to the California Dental Agreement was \$20,198 in 2008. For 2007, there was no interest earned on amounts due from ADI-CA related to the California Dental Agreement.
26. Effective April 1, 2008, the Company and Aetna Behavioral Health of Delaware, LLC ("ABHD") entered into a Personnel Services Agreement ("the Delaware Agreement"). Under the Delaware Agreement, ABHD will provide the Company with ABHD personnel to perform services including without limitation quality assessment, utilization review, disease management, patient management and case management. The Delaware agreement obligates the Company to pay ABHD the cost of providing such services as well as interest on outstanding administrative service balances. The Delaware Agreement was approved by the Connecticut Insurance Department on April 3, 2008. For 2008, the Company incurred \$10,649,326 in expenses pursuant to the Delaware Personnel Service Agreement.
27. Effective September 28, 2008, the Company and Schaller Anderson of Arizona, LLC ("SAAZ") entered into a Subcontract. Under the SAAZ subcontract, SAAZ will provide Parkland Community Health Plan, Inc. with certain administrative services including accounting, cash management and processing of claims on behalf of the Company. The SAAZ Subcontract obligates the Company to pay SAAZ the cost of providing such services as well as interest on outstanding administrative service balances. This subcontract was approved by the Connecticut

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Insurance Department on October 1, 2008. For 2008, the Company did not incur any expenses pursuant to the SAAZ Subcontract as no services were rendered.

Year ended December 31, 2009:

1. Effective October 16, 1978, the Company entered into a service agreement with Aetna Life & Casualty (Bermuda) Ltd., which provides that the Company will perform services and administrative duties under Aetna Life & Casualty (Bermuda) Ltd., Group Insurance and Pension Contracts. The agreement and an Amendment to Service Agreement dated as of June 20, 2002, with an effective date as of August 1, 1978, were approved by letter dated May 10, 2002 from the Connecticut Insurance Department. A Third Amendment to Service Agreement, with an effective date of June 1, 2008, was approved by the Connecticut Insurance Department on June 17, 2008. Under this agreement, the expenses incurred were \$16,088,644 and \$10,490,694 for the years 2009 and 2008, respectively.
2. Effective October 7, 2005, the Company entered into an Amended and Restated Administrative Services Agreement (the "A&R Agreement") with AHM, which replaces the Administrative Services Agreement (the "ASA") entered into between the Company and AHM dated as of January 1, 2004. The ASA replaced the Utilization and Network Management Services Agreement and any other agreements to which the Company and AHM were the only parties. The A&R Agreement was approved by the Connecticut Insurance Department on October 7, 2005. Effective August 1, 2008, the A&R Agreement was amended and the amendment was approved by the Connecticut Insurance Department on August 13, 2008. Under the A&R Agreement, as under the ASA, AHM will provide the Company with administrative services and resources (including pharmacy rebate management services) and the Company will in return also provide AHM with administrative services and resources (including patient management and quality management services). For the years 2009 and 2008, net cost reimbursements from the Company to AHM under the A&R Agreement were \$97,878,953 and \$126,628,422, respectively. For the pharmacy rebate services, the Company is obligated to pay AHM a fee equivalent to a percentage of the rebates that the Company earns. The Company was charged \$43,223,460 and \$41,303,722 for these pharmacy rebate services for 2009 and 2008, respectively, under the A&R Agreement.
3. Aetna Health of California Inc. provides administrative and other services to the Company, and payments for these services were \$26,572,363 and \$23,256,573 for the years 2009 and 2008, respectively.
4. Shareholder Agreement and Consent between the Company and Aetna dated November 1, 2000. The agreement provides that the Company and Aetna agree on a procedure and method for declaration, determination of amount and payment of distributions, including dividends by the Company to Aetna. The agreement was approved by letter dated September 18, 2001 from the Connecticut Insurance Department.
5. Effective December 1, 2001, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, Aetna Health Inc. (CT) ("AHICT"), and AHICT subleases to its affiliate, AHM, certain electronic data processing equipment located in Connecticut that is leased from IBM Credit LLC. This agreement was approved November 27, 2001 by the Connecticut Insurance Department. In 2009, the terms of the agreement were extended through November 30, 2010 and notification of such extension was provided to the Connecticut Insurance Department. In addition, effective December 1, 2004, the Company entered into a subleasing arrangement whereby the Company subleases to AHICT, and AHICT subleases to AHM, certain electronic data processing equipment located in Connecticut that is leased from Hewlett Packard Financial Services Company. This agreement was approved February 7, 2005 by the Connecticut Insurance Department. In 2009, the terms of the agreement were extended through November 30, 2010 and notification of such extension was provided to the Connecticut Insurance Department. Payments for these subleases in 2009 and 2008 were \$46,216,146 and \$43,334,861, respectively, from AHM to AHICT and these same amounts were paid from AHICT to the Company.
6. On May 1, 2003, the Company entered into a Foreign Currency Hedging Agreement with Aetna, pursuant to which Aetna will be authorized to enter into foreign exchange arrangements or agreements on behalf of the Company. This agreement was approved by the Connecticut Insurance Department on August 11, 2003. Effective January 1, 2008, an amendment to the agreement was made and notification was provided to the Connecticut Insurance Department. Under this agreement, the Company made payments of \$89,121 in losses for 2009 and received payments of \$611,845 in gains for 2008 from Aetna resulting from Aetna executing foreign currency arrangements on the Company's behalf.
7. Effective February 1, 2003, the Company and Aetna RX Home Delivery, LLC ("Pharmacy") entered into a mail order pharmacy national agreement in which Pharmacy contracted with the Company to provide pharmaceutical services on behalf of the Company and its affiliates. This agreement was approved by the Connecticut Insurance Department on March 14, 2003. Under this agreement, the Company pays Pharmacy for covered services rendered to members in accordance with a compensation schedule. Under this agreement, the Company paid Pharmacy \$271,767,825 and \$240,011,916 for the years 2009 and 2008, respectively, with respect to the Company's fully-insured members.
8. Effective January 1, 2004, the Company entered into an Amended and Restated Agency, Management and Delegated Claims Agreement (the "Amended Agreement") with the Aetna Student Health Agency, Inc. (formerly Chickering Benefit Planning Insurance Agency, Inc., a Massachusetts corporation) ("ASHAI") and Chickering Claims Administrators, Inc., a Massachusetts corporation ("CCAI"), both affiliates of the Company. The Amended Agreement replaces a similar agreement which was entered into prior to ASHAI and CCAI becoming wholly-owned subsidiaries of Aetna. Under the Amended Agreement, ASHAI and CCAI will provide the Company with certain administrative services related to student health business underwritten and issued and/or administered by the Company or by companies owned by or affiliated with the Company, including accounting and processing of premiums and claims administration. The Company pays each of ASHAI and CCAI an Annual Delegation Fee for such services pursuant to the Amended Agreement. The Amended Agreement was approved by the Connecticut Insurance Department on November 12, 2004. For 2009 and 2008, the Company was charged \$23,656,080 and \$21,566,796, respectively, for services provided by ASHAI and \$27,513,050 and \$25,083,121, respectively, for services provided by CCAI under the Amended Agreement.
9. Effective January 1, 2004, the Company and Aetna Insurance Company of Connecticut ("AICC") entered into an Expense Allocation Agreement (the "Expense Agreement") to allocate costs relating to their stop loss insurance business between them in proportion to the premiums each entity derives from that business. This Expense Agreement was approved by the Connecticut Insurance Department on November 9, 2004. There were no costs allocated under this Expense Agreement in 2009 as AICC had no stop loss business in effect in 2009. Under this Expense Agreement in 2008, \$6,626 of stop loss insurance costs were allocated to AICC from the Company.
10. Effective December 1, 2004, the Company entered into an agreement with Aetna Capital Management, LLC ("ACM") whereby the Company will pay ACM a fee in connection with investment advisory services that ACM will provide in connection with investments by the Company in Aetna Partners Diversified Fund, LLC. The intercompany agreement was approved by the Connecticut Insurance Department by letter dated November 23, 2004. The Company incurred \$1,446,298 and \$1,716,997 for the years 2009 and 2008, respectively, pursuant to this agreement.
11. Effective January 1, 2005, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "Personnel Services Agreement") with Aetna Health Insurance Company of New York ("AHIC-NY"). Under this Personnel Services Agreement, the Company will provide AHIC-NY with the personnel necessary to perform administrative services, including accounting, payment of claims, quality assessment and pharmacy benefit management services, related to AHIC-NY's commercial, Medicaid, Medicare and self-insured members. The Personnel Services Agreement obligates AHIC-NY to pay to the Company the Company's cost of providing such services as well as interest on outstanding administrative service balances. This Personnel Services Agreement was approved by the Connecticut Insurance Department on May 26, 2005 and the New York Insurance Department on April 5, 2005. For 2009 and 2008, the Company charged AHIC-NY \$304,344 and \$605,118, respectively, under the Personnel Services Agreement.
12. Effective January 1, 2005, the Company entered into an Amended and Restated Administrative Services Agreement (the "Amended Agreement") with Aetna Dental Inc., a New Jersey corporation ("ADI-NJ"). Under this Amended Agreement, the Company provides ADI-NJ



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with certain administrative services including accounting, cash management and processing of claims. The Amended Agreement obligates ADI-NJ to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the amended agreement, as well as interest on outstanding administrative service balances. This Amended Agreement was approved by the Connecticut Insurance Department on May 26, 2005. For 2009 and 2008, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-NJ was \$1,488,539 and \$1,931,951, respectively. Interest earned on amounts due from ADI-NJ related to the Amended Agreement was \$2,231 and \$11,835 in 2009 and 2008, respectively.

13. Effective January 6, 2005, the Company and Strategic Resource Company ("SRC") entered into two Administrative Services Agreements (the "SRC Agreements"), of which one was amended and restated effective January 1, 2006 to change language relative to SRC acting as a third party administrator in certain states. Under the SRC Agreements, SRC will provide the Company with certain administrative services and resources relating to the administration of certain insurance policies issued by Continental Assurance Company ("CAC") and Continental Casualty Company ("CCC") and coinsured 100% by the Company and for certain insurance policies issued directly by the Company. The SRC Agreements obligate the Company to pay SRC a fee for such services. Both of the original SRC Agreements were approved by the Connecticut Insurance Department on February 7, 2005. The amended and restated agreement effective January 1, 2006 was approved by the Connecticut Insurance Department on May 30, 2006. For 2009 and 2008, the Company incurred \$80,192,964 and \$72,968,575, respectively, in expenses pursuant to the SRC Agreements.
14. Effective January 1, 2005, the Company entered into an Administrative Services Agreement (the "Dental Agreement") with Aetna Dental Inc., a Texas corporation ("ADI-TX"). Under this Dental Agreement, the Company provides ADI-TX with certain administrative services including accounting, cash management and processing of claims for service areas other than North Carolina. The Dental Agreement obligates ADI-TX to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This Dental Agreement was approved by the Connecticut Insurance Department on July 15, 2005. For 2009 and 2008, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-TX was \$5,270,523 and \$7,618,368, respectively. Interest earned on amounts due from ADI-TX related to the Dental Agreement was \$5,376 and \$21,808 in 2009 and 2008, respectively.
15. Effective January 1, 2005, the Company and Aetna entered into an Expense Allocation Agreement (the "Expense Agreement") under which Aetna will allocate expenses to the Company for employee benefit plans in proportion to the members covered by the Company under health benefit plans. This Expense Agreement was approved by the Connecticut Insurance Department on November 3, 2005. For 2009, the Company incurred \$244,205,163 in expenses pursuant to the Expense Agreement. For 2008, the Company incurred \$76,913,362 in income pursuant to the Expense Agreement. See Note 12 for details by plan.
16. Effective January 1, 2005, the Company entered into an Administrative Services Agreement (the "Agreement") with Aetna Health of the Carolinas Inc., a North Carolina company ("AHCI"), which replaces the Amended and Restated Administrative Services Agreement entered into between the Company and AHCI dated as of January 1, 2003. Under the Agreement, the Company will provide AHCI with administrative services, including accounting, payment of claims, quality assessment services and payment of agents' fees and commissions, related to AHCI's commercial, Medicare and self-insured members. The Agreement obligates AHCI to pay to the Company a fee for providing such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on July 27, 2005. For 2009 and 2008, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing the administrative services on behalf of AHCI under the Agreement was \$6,318,449 and \$5,390,818, respectively. Interest earned on amounts due from AHCI related to the Agreement was \$5,096 and \$11,591 in 2009 and 2008, respectively.
17. Effective January 1, 2005, the Company, AHM and AHCI entered into a subcontract under which certain of the services and resources to be provided by the Company to AHCI under the Agreement will be subcontracted and provided by AHM. Under the subcontract, AHM's services and resources provided to the Company include certain accounting functions, payment of agents' fees and commissions and certain out of pocket corporate maintenance expenses. The subcontract obligates the Company to pay AHM for the services actually performed at AHM's cost of providing such services as well as interest on outstanding administrative service balances. This subcontract was approved by the Connecticut Insurance Department on July 27, 2005. For 2009 and 2008, the Company paid AHM \$6,745 and \$6,886, respectively.
18. Effective January 1, 2006, the Company entered into an agreement with ACM whereby the Company will pay ACM a fee in connection with investment advisory services that ACM will provide in connection with investments by the Company in Aetna Partners Diversified Fund (Cayman), Limited. A Form D Prior Notice of Transaction dated September 14, 2005 was filed with the Connecticut Insurance Department for this agreement. By letter dated October 11, 2005 the Connecticut Insurance Department determined the transaction to be in the ordinary course of business, therefore no approval is necessary. For 2009 and 2008, the Company incurred \$331,280 and \$344,955, respectively, in expenses pursuant to this agreement.
19. Effective January 1, 2006, the Company entered into an Administrative Services Agreement (the "North Carolina Dental Agreement") with ADI-TX. Under the North Carolina Dental Agreement, the Company provides ADI-TX with certain administrative services including accounting, cash management and processing of claims for the North Carolina service area. The North Carolina Dental Agreement obligates ADI-TX to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This North Carolina Dental Agreement was approved by the Connecticut Insurance Department on November 17, 2005. For 2009 and 2008, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-TX was \$491,428 and \$653,103, respectively. Interest earned on amounts due from ADI-TX related to the North Carolina Dental Agreement was \$468 and \$1,873 in 2009 and 2008, respectively.
20. Effective January 1, 2006, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "New York Personnel Services Agreement") with Aetna Health Inc., a New York corporation ("AHI-NY"). Under this New York Personnel Services Agreement, the Company will provide AHI-NY with the personnel necessary to perform administrative services, including accounting, payment of claims, quality assessment and pharmacy benefit management services, related to AHI-NY's commercial, Medicaid, Medicare and self-insured members. The New York Personnel Services Agreement obligates AHI-NY to pay to the Company the Company's cost of providing such services as well as interest on outstanding administrative service balances. This New York Personnel Services Agreement was approved by the Connecticut Insurance Department on July 28, 2006 and the New York Insurance Department on June 28, 2006. For 2009 and 2008, the Company charged AHI-NY \$26,625,424 and \$40,857,022 respectively, under the New York Personnel Services Agreement.
21. Effective November 18, 2005, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, CCAI, certain field office space located in Bedford, New Hampshire. In addition, effective August 1, 2006, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, CCAI, certain field office space located in San Diego, California. The Company notified the Connecticut Insurance Department prior to entering into these subleasing arrangements. For 2009 and 2008, CCAI paid the Company \$305,798 for both years for these subleases.
22. Effective January 1, 2006, the Company and Aetna Behavioral Health ("ABH") entered into an Administrative Services Agreement (the "Behavioral Health Agreement") whereby the Company will provide ABH with certain administrative services including accounting, cash management and processing of claims for the employee assistance services style products sold by ABH. Under the Behavioral Health Agreement, the Company may assess ABH the Company's cost of providing such services as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on December 28, 2006. For 2009 and 2008, the Company assessed ABH \$4,995,979 and \$5,174,443, respectively, under the Behavioral Health Agreement.
23. Effective April 1, 2006, the Company entered into four Administrative Services Agreements with SRC (the "SRC Service Agreements") whereby SRC will provide administrative services on the Company's behalf related to service contracts assigned to the Company related to Broadspire Disability, which was acquired on March 31, 2006. The SRC Service Agreements obligate the Company to pay SRC for the services actually performed at SRC's cost of providing such services. The SRC Service Agreements were approved by the Connecticut Insurance Department on December 28, 2006. For 2009, the Company did not incur any expenses under the SRC Service Agreements as

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no services were rendered. For 2008, the Company incurred \$54,056 in expenses under the SRC Service Agreements.

Effective April 1, 2006, Aetna Health Administrators, LLC ("AHA") and SRC entered into a Personnel Services and Expense Reimbursement Agreement (the "SRC Expense Reimbursement Agreement") whereby AHA provides personnel services to SRC to assist SRC in the provision of the administrative services provided to the Company under the SRC Service Agreements. The SRC Expense Reimbursement Agreement obligates SRC to pay AHA for the services actually provided at AHA's cost of providing such services. Effective July 1, 2007, as a result of a personnel merger of AHA with and into the Company, the Company assumed AHA's responsibilities under the SRC Expense Reimbursement Agreement and became the provider of personnel services to SRC to assist SRC in the provision of the administrative services provided under the SRC Service Agreements. The merger of AHA with and into the Company was approved by the Connecticut Insurance Department on June 18, 2007. For 2009, SRC was not charged under the SRC Expense Reimbursement Agreement as no services were rendered. For 2008, the Company charged SRC \$54,056 under the SRC Expense Reimbursement Agreement.

24. Effective January 1, 2007, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "Specialty Pharmacy Personnel Services Agreement") with Aetna Specialty Pharmacy, LLC ("ASRX"). Under this Specialty Pharmacy Personnel Services Agreement, ASRX will make available to the Company the services of certain personnel. The Specialty Pharmacy Personnel Services Agreement obligates the Company to pay to ASRX fees equal to ASRX's cost of providing such services as well as interest on outstanding fee balances. The Specialty Pharmacy Personnel Services Agreement was entered into in the ordinary course of business and did not require approval by the Connecticut Insurance Department. For 2009 and 2008, the Company paid ASRX \$45,545,605 and \$48,606,800, respectively, under the Specialty Pharmacy Personnel Services Agreement.
25. Effective December 1, 2007, the Company entered into an Administrative Services and Solicitation Agreement (the "California Dental Agreement") with Aetna Dental of California Inc. ("ADI-CA"). Under the California Dental Agreement, the Company provides ADI-CA with certain administrative and management services (collectively, the "Administrative Services") including accounting, cash management and ministerial services related to the administration of claims payment. In addition, the Company also provides solicitation services including marketing, account management of all third party brokers and providers and certain contract maintenance and management services. The California Dental Agreement obligates ADI-CA to pay the Company a fee for the Administrative Services subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. The California Dental Agreement was approved by the Connecticut Insurance Department on November 19, 2007. For 2009 and 2008, the Company's revenue for providing these services to ADI-CA, including prior contract year and current year estimated accrued true-ups, was \$4,915,974 and \$6,479,132, respectively. Interest earned on amounts due from ADI-CA related to the California Dental Agreement was \$7,934 and \$20,198 for 2009 and 2008, respectively.
26. Effective April 1, 2008, the Company and Aetna Behavioral Health of Delaware, LLC ("ABHD") entered into a Personnel Services Agreement ("the Delaware Agreement"). Under the Delaware Agreement, ABHD will provide the Company with ABHD personnel to perform services including without limitation quality assessment, utilization review, disease management, patient management and case management. The Delaware agreement obligates the Company to pay ABHD the cost of providing such services as well as interest on outstanding administrative service balances. The Delaware Agreement was approved by the Connecticut Insurance Department on April 3, 2008. For 2009 and 2008, the Company incurred \$13,322,617 and \$10,649,326, respectively, in expenses pursuant to the Delaware Personnel Service Agreement.
27. Effective September 28, 2008, the Company and Schaller Anderson of Arizona, LLC ("SAAZ") entered into a subcontract (the "SAAZ Subcontract"). Under the SAAZ Subcontract, SAAZ will provide Parkland Community Health Plan, Inc. with certain administrative services including accounting, cash management and processing of claims on behalf of the Company. The SAAZ Subcontract obligates the Company to pay SAAZ the cost of providing such services as well as interest on outstanding administrative service balances. The SAAZ Subcontract was approved by the Connecticut Insurance Department on October 1, 2008. For 2009, the Company incurred \$6,501,767 in expenses pursuant to the SAAZ Subcontract. For 2008, the Company did not incur any expenses pursuant to the SAAZ Subcontract as no services were rendered.
28. Effective June 29, 2007, the Company and Delaware Physicians Care, Incorporated ("DPCI") entered into a Delegated Patient Management Agreement (the "DPCI Agreement") prior to DPCI becoming a wholly owned-owned subsidiary of Aetna in July, 2007. Under the DPCI Agreement, DPCI will provide the Company with patient management services for The State Employee Health Care Program (the "Employee Program") of the State of Delaware Office of Management and Budget. The DPCI Agreement obligates the Company to pay DPCI a fee for the patient management services equal to a per employee per month cost on employees enrolled in the Employee Program who are residing in the State of Delaware. For 2009 and 2008, the Company incurred \$104,120 and \$61,151, respectively, in expenses pursuant to the DPCI Agreement.
29. Effective September 1, 2009, the Company entered into an Administrative Services Agreement (the "AHICE Agreement") with Aetna Health Insurance Company of Europe Limited, a corporation formed in the Republic of Ireland ("AHICE"). Under the AHICE Agreement, the Company provides AHICE with certain administrative services including accounting, cash management and processing of claims. The AHICE Agreement obligates AHICE to pay the Company a fee for such services as well as interest on outstanding administrative service balances. This AHICE Agreement was approved by the Connecticut Insurance Department on July 1, 2008 and by the Republic of Ireland during 2009. For 2009, the Company's revenue for providing these services to AHICE was \$203,564.